

**CNG Producing
Company**

A **CNG** COMPANY

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May 29, 1997

Mr. David S. Guzy
Chief, Rules and Procedures Staff
Minerals Management Service
Royalty Management Program
Building 85
Denver Federal Center
Denver, CO 80225



Re: Notice of Proposed Rulemaking
62 Fed. Reg. 3742 (January 24, 1997)

Dear Mr. Guzy:

Confirming my prior internet e-mail sent to you on May 28, 1997, CNG Producing Company, an independent producer with oil and gas production from both offshore and onshore federal leases, hereby endorses and adopts the comments dated May 15, 1997 filed in this proceeding by the Independent Petroleum Association of America ("IPAA").

CNG participated actively in the preparation of those comments and we urge close attention to the constructive recommendations made by the IPAA.

Finally, CNG strongly encourages the MMS, after full public comment, to adopt a comprehensive take-in-kind program for royalty oil modeled on the arrangements used by the Province of Alberta, Canada. CNG and other IPAA members are willing to work informally with the MMS to develop a cost effective take-in-kind program designed to allow the federal government to realize, through direct marketing, fair compensation for its royalty oil, while minimizing administrative costs and the likelihood of disputes with lessees.

Respectfully submitted,

CNG PRODUCING COMPANY

By: 

Timothy J. Jacquet
Its Attorney

Author: Timothy_J_Jacquet@cngp.cng.com at ~smtp

Date: 05/28/97 01:27 PM

Priority: Normal

Receipt Requested

TO: David Guzy at ~mms-denver-85-1

Subject: Notice of Proposed Rulemaking

----- Message Contents -----

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